

Angus Council

Strategic Housing Investment Plan 2015/16 – 2019/20

1. Introduction

- 1.1. The purpose of the Strategic Housing Investment Plan (SHIP) 2015/16 – 2019/20 is to set out the strategic investment priorities for affordable housing over a five year period to achieve the outcomes set out in the Angus Local Housing Strategy (LHS) 2012-17.
- 1.2. The SHIP is a working tool to improve long-term strategic planning and to show how LHS investment priorities for affordable housing will be delivered in practice through a range of funding streams. The SHIP includes affordable housing supply through new provision, replacement, rehabilitation, remodelling, housing provided or assisted by Scottish Government and housing provided by the council and other partners.

2. Supporting Delivery of the Local Housing Strategy

- 2.3. The LHS 2012-17 sets out how Angus' strategic housing vision to 'create places that people can be proud to call home' will be achieved. It outlines three strategic priorities to address current and newly arising housing need, these are to:
 - Increase housing supply, access and choice;
 - Provide special needs housing and housing support; and
 - Improve the quality of housing, and make it energy efficient and easy to heat.
- 2.4. The LHS identifies a significant unmet housing need and demand in Angus. This housing need and demand is projected to continue to increase due to a lack of suitable housing to meet existing need and demographic changes (such as an ageing population and reducing household size) which create newly arising need.
- 2.5. For Angus as a whole, we have a target of delivering an average of 330 new homes every year over the period to 2018/19. This is known as the housing supply target. These properties will be a mix of affordable and market housing, and can include the conversion of existing properties for residential use. For planning purposes the Angus housing market is considered in terms of four Housing Market Areas (HMAs):
 - South – Carnoustie and Monifieth;
 - East – Arbroath;
 - North – Montrose and Brechin; and
 - West – Forfar and Kirriemuir.

- 2.6. Investment in the delivery of affordable housing in Angus has sought to contribute to the target. Investment has been prioritised on sites which meet the Council’s strategic priorities. In 2013/14 the Council and RSL partners delivered 91 affordable homes across the four HMAs.
- 2.7. The SHIP 2015/16 – 2019/20 has been developed to reflect the priorities of the LHS 2012-17. It is also informed by a range of key strategic and planning documents including the Strategic Development Plan (SDP) 2012-32, the Local Development Plan (LDP) 2009 and the Housing Land Audit 2014. The SHIP also recognises that development of the LDP 2016-2016 is currently being undertaken.

3. The Programme

- 3.1. The SHIP projects a total of 225 units could start on site during the period 2015/16 – 2019/20. The Council, together with its RSLs partners, has sought to be as realistic as possible in detailing the likely forward programme.
- 3.1. Subsidy of £11.666m will be required to deliver the programme, taking all funding streams into account. The SHIP has been prudently overcommitted to enable the Council to manage any programme slippage effectively.
- 3.2. The Scottish Government has confirmed the Resource Planning Assumption (RPA) for Angus Council in 2015/16 is £3.254m. For the following three year period 2016/17 to 2018/19 the Scottish Government has indicated that the RPA will be at least: £2.683m for 2016/17; £2.0723m for 2017/18; and £1.382m for 2018/19. In line with Scottish Government guidance the Council has assumed an RPA of £1.382m for 2019/20. The total RPA for the life of the SHIP is £10.774.
- 3.3. The funding requirements are as follows:

SHIP Year	Total site starts	Funding requirement	RPA
1 - 3	168	£8.800	£8.010
4 - 5	54	£2.866	£2.764

- 3.4. In developing the forward programme for the SHIP, consideration has been given to the current status of a number of planning applications, or sites which it is known are likely to be brought forward for planning consideration within the life of the Plan. This has been done in consultation with Planning colleagues and also reflects ongoing discussions between developers and RSL partners. It is recognised that in providing a realistic estimate of the deliverability of large scale projects based on the best known position, it can be difficult to align this with annual funding allocations.
- 3.5. The Council, in consultation with the Scottish Government, will continue to manage the Affordable Housing Supply Programme (including the Strategic Local Programme Agreement (SLPA)) in conjunction with its Housing Capital

Expenditure Plan and Affordable Housing Account investment to support and maximise delivery of affordable housing in priority sites during the life of the SHIP.

- 3.6. It has not been possible to name all sites with the SHIP. In some cases this is due to the current planning status of sites which are likely to have a significant Affordable Housing Requirement but have yet to reach determination. By providing an indication of the realistic number of affordable homes to be delivered within these settlements the Council has sought to ensure that these high profile sites are reflected (and prioritised) within the current SHIP without prejudicing the ongoing planning process. The Council also has an ongoing programme of replacement and renewal of its own stock. In the years 2015/16 to 2017/18 (years 1 to 3) these projects are fully committed. However, projects falling beyond the current Housing Capital Expenditure Plan will be prioritised based on ongoing consideration of the Council's aim to deliver better planning for place and in response to the outcome of further consultation with tenants.
- 3.7. In line with the commitments made within the recently approved Asset Management Strategy, the Council intends to commence a programme of small scale delivery on under-utilised sites owned by the Housing Division. Priority will be given to delivering specialised and bespoke solutions for households with particular needs for whom the Council is unable to appropriately accommodate within its current stock.
- 3.8. In addition to delivery supported by the Scottish Government Affordable Housing Supply Programme, Angus Council continues to manage its Survive and Thrive Initiative which provides grant funding to affordable housing projects. A total of 49 units are currently expected to complete through this Initiative in 2015/16 – 2016/17.

4. Prioritisation framework

- 4.9. The SHIP has been developed using a framework that seeks to prioritise investment which balances the Council's strategic objectives, deliverability and community benefits. In assessing individual projects for inclusion in the SHIP the Council has considered the following:
- The extent to which the development will address assessed housing needs;
 - Whether the development will re-use brownfield sites;
 - Whether the development will secure the future use of listed and other historic buildings;
 - If relevant planning approvals are in place and/ or any constraints exist which may affect delivery timescales; and
 - The extent to which the development will deliver wider community benefits.

- 4.10. The framework is not intended to provide the only assessment of priority and the Council will continue to balance its investment decisions through a mixture of Council, RSL and developer delivery and by considering a range of affordable housing tenures to meet housing needs across the four HMAs. It is also recognised that as projects develop there will need to be adjustment to the scoring output as, for example, planning permission is granted or wider community benefits are realised. This may cause the priority of a project to be revised during the life of the SHIP.
- 4.11. The prioritisation framework can be found in Appendix B.

5. Delivery

- 5.1. The Council has considered a range of delivery mechanisms to enable it to meet its overall aim of increasing housing supply, access and choice. The majority of projects reflected in the SHIP Affordable Housing Supply Programme seek to deliver social rented housing, as this is considered the most realistic method of delivery for these projects. The Council will also continue to explore other forms of affordable housing such as midmarket rent and low cost homeownership where these can meet identified need and maximise grant allocations.
- 5.2. The Council intends to continue to direct resources from the Housing Capital Expenditure Plan 2014/18 and the Affordable Housing Account to support the delivery of projects allocated within the SHIP as appropriate. It will also continue to manage its Survive and Thrive Initiative.
- 5.3. In recent years the Council has approved changes to the Council Tax charging policy for long-term empty and second homes with the additional revenue raised directed towards the provision of affordable housing. From 1 April 2012 the discount applied to long-term and second homes was reduced from 50% to 10%, with the additional revenue ring fenced for the provision of new build affordable housing to meet locally determined priorities. The policy was further amended in favour of imposing additional charges on some long-term empty homes on a phased basis. From 1 October 2014 the 10% discount was removed and replaced with an additional 50% charge. From 1 April 2015 the additional charge will increase to 100%. The additional revenue will continue to support projects which increase the supply of affordable housing in Angus.
- 5.4. In addition to the projects currently programmed within the SHIP, the Council is actively exploring initiatives which enable it to respond flexibly to market condition and local needs. This includes a proposal to establish an Open Market Acquisition Strategy and ongoing negotiations relating to the acquisition of surplus Council owned land which can support viable housing projects. It is anticipated that these initiatives will enable the Council to further manage any programme slippage effectively during the life of the SHIP.

6. Affordable Housing Policy

- 6.5. The Council is currently developing its LDP 2016 – 2026. As part of this process, the Affordable Housing Policy will be reviewed. This policy sets out the contribution that developers must make to the delivery of affordable housing as a condition of securing planning approval for a new build development.
- 6.6. The Council will continue to seek to consider the contribution that developer contributions make to the delivery of affordable housing in Angus, and to secure the most appropriate contribution for each site. The Council will continue to utilise contributions resulting from the Affordable Housing Policy to support the delivery of affordable homes within its own programme and with RSL partners where appropriate.

7. Energy Efficiency

- 7.1. The Council will seek to achieve the 'Greener' energy efficiency standard in new build where practicable. In order to meet the standard, homes must meet Section 7, Silver Level of the 2011 Building Regulations in relations to both carbon dioxide emissions and energy for space heating. It is recognised however that the standard may not be attainable in all projects, particularly where an existing building is to be redeveloped or where homes form part of a larger development for market provision. The Council will also support RSL partners to develop to the 'Greener' standard.

8. Equalities

- 8.1. An Equalities Impact Assessment (EQIA) was undertaken as part of the process for developing the LHS 2012-17. The EQIA highlights the role of the LHS in ensuring that the Council is able to direct its resources to meet housing need and demand. The SHIP 2015/16 – 2019/20 has been developed to support the delivery of the strategic priorities set out in the LHS 2012-17.

9. Strategic Environmental Assessment

- 9.1. As part of the process for developing previous SHIPs (including the SHIP 2013/14) the Council submitted a screening report to the Scottish Government Strategic Environmental Assessment (SEA) Gateway to identify whether there was a requirement to undertake a full SEA on the SHIP for the corresponding year. The Council subsequently determined that there was no requirement to undertake a full SEA.
- 9.2. The same process was followed in development of the LHS 2012-17, where again it was determined that there was no requirement to undertake a full SEA.
- 9.3. It considered that the outcome of the screening undertaken for previous SHIPs and the LHS is sufficient to determine that there is no requirement to undertake a full SEA in relation to the SHIP 2015/16 – 2019/20.

Annex B – Prioritisation Framework

Total score across five identified investment priorities

Will address assessed housing need:

- (3) High demand and few opportunities
- (2) High demand
- (1) Low demand or high demand but lots of opportunities

Will re-use brownfield sites:

- (2) Yes
- (1) No

Will secure the future use of listed or other historic buildings:

- (2) Yes
- (1) No

Project deliverability:

- (3) No constraints and consents in place
- (2) No major constraints but need consents
- (1) Constraints and no consents

Will deliver wider community benefits:

- (3) Delivers key community benefit or catalyst for delivery
- (2) Delivers some community benefit or catalyst for delivery
- (1) No identified community benefit

Low priority				Medium priority				High priority				
1	2	3	4	5	6	7	8	9	10	11	12	13